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Lionberger, Isaac Henry

Equality and prosperity

St. Louis

1920

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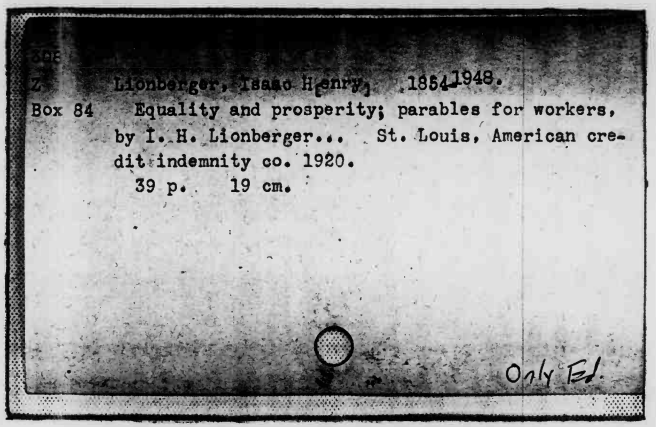
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Parables for Workers

By
I. H. LIONBERGER
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PUBLISHED BY
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To be had of the Company on Application.

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An Experiment

The workers, being dissatisfied with the organization of industry and their part of its fruits, decided to make a change and appointed a committee to consider the matter. The committee after deliberation made the following recommendations: To retain 1, Specialization, because thereby more, better and cheaper goods might be made; 2, Trade, in order that men might procure with what they made, what they desired; 3, Property in goods, so that none should be required to take less for their goods or services than they thought them worth.

The committee was of opinion that capital and the use of the precious metals as money tended to inequality, and therefore recommended 1, the prohibition of capital and interest; 2, the substitution of paper tokens for gold and silver money.

After deliberation, the report of the committee was unanimously adopted and everyone returned to his own task. The factories were busy, the fields were cultivated, the trains ran on time, the streets were filled with vehicles and business went on as usual. At the end of each day every man received his former wages, not, however, in gold or silver or bills promising these things but in certificates printed by the committee, of like denomination; and at the end of a proper time all bills were

paid with these certificates. Little trouble was encountered. Factories sold their output and stores their goods for certificates, and as they were everywhere received they afforded a convenient circulating medium. No more than were necessary were put out in the first instance, and thereafter no more than were required in exchange for those that had become worn or soiled.

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After a little while the traders began to discover that although they had made their customary profits, such profits had to be reckoned in certificates from which no addition to their income in the way of interest could be realized. They therefore began to spend them in the purchase of comforts and luxuries from which they had theretofore abstained. Such spending resulted in an increased demand for goods, but as the factories were already running full time the supply could not be increased and as a consequence the price of store goods measured in certificates gradually advanced.

Now the factory workers became dissatisfied and, it being reported to the committee that less could be bought with wages than formerly, it was resolved to increase wages by charging more for all goods made.

Such an expedient however did not answer, because store prices were immediately advanced still

further, and again the workers complained. Thereupon the committee resolved to issue enough certificates to all producers of wealth to equal the advance in prices so that every man might buy with a day's work as much as before.

At first this expedient answered, but then the old trouble was felt, for traders again advanced their prices and, as no other use for profits could be found, everyone spent them for goods, and goods again became scarce and the workers had to pay still more.

Now the committee, after deliberating, decided that the cause of the advance in prices was the profit demanded by the trader, and so prohibited traders to sell for more than goods had cost.

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When the traders were notified of this order, they remonstrated: "If we buy today for so much and tomorrow must sell for no more, we shall have nothing for our trouble; how can we live if we get nothing with which to buy for ourselves? The workers being summoned, the complaint of the traders was laid before them. "You are wrong", said the workers, "we get no more for our labor than it is worth; you should get no more than your goods are worth."

"What you say is just", replied the traders, "but the goods we sell are worth more than the goods

you make. We add something to their value by bringing them to a convenient place and delivering them to you as you require. Our services are worth as much as your work, and although you call our pay profit, we call it recompense for our services." The workers, being just men, agreed with the traders and so the committee decided that the traders should make enough profit on their goods to enable them also to live.

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Now another mischief transpired. Men for a time were contented, but some of them began to say, "We work constantly, yet none are ever better off. What we make in a day we spend in a day. Why should we not accumulate something."

The committee said, "If all agree, we can work harder five days in the week and rest on two days." "That is very well", said a worker, "but even then, after seven days, we shall have no more than before. What we need is goods enough to support us in old age when we can work no longer."

Everybody thought this point well taken, and they began to consider how they might provide for old age. "One thing is evident", said a young man; "we now work eight hours a day and can live in comfort only while we work. Let us work nine hours and lay aside one-ninth of all our produce for sickness and old age." "But how shall these

surplus goods be kept," said another. "We need many things which are perishable, and who shall decide how many an old man may appropriate? Let us now work nine hours and give to the old men among us pension certificates equal to one-ninth or some other proper part of all wages paid, then the old men may get from day to day what they require, as do we who work."

Now those who complained that they were making no progress began to ponder, for something had come into their heads. "It is true that if we work harder or longer we shall provide for old age, but old men now do some work and if they do nothing we shall not only have to work one hour more but perhaps one hour and a half, and after a life of hard labor we shall have not more but just as much as we now receive day by day. We shall not starve, it is true, but the community will make no progress; every generation will have to work 9½ hours a day, wages can never increase, and we must still deny ourselves luxuries and all things men crave for themselves and their families."

When they told what they had been thinking of, all were perplexed, for each desired for himself not only enough for old age but something besides. "How can we who work 9½ hours a day not only live and provide for old age, but provide also lux-

uries for ourselves and dependents?" This question none could answer.

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Then one remembered that before industry had been reorganized some had become rich and also that the rest were no worse off but better off; for then men worked but eight hours a day and each asked for his own goods or services what he could get, and out of wages and profits earned saved something and put it at interest and on such interest each lived as he liked. So he said, "Why should we deny interest to those who save wages or profits? We needn't borrow unless we are willing." The rest, however, became angry and denounced him. "You propose to destroy equality and let some be better off than the rest, for if some lend and others pay interest, those who lend will be supported by those who pay and there will be two classes among us."

No one being able to deny this proposition, all fell a-thinking how they might get better off some other way. At last an old man rose and said, "It is true that we cannot improve our condition as we are now organized, for although each gets his just part of the common stock we cannot have more unless we somehow manage to increase that stock. How then can we increase the common stock without working a still longer time? I propose that we

work ten hours and save what we produce in the extra half-hour and lend it at interest for the common benefit. Then if any borrow, they will pay to all, and each will get his share even in what he pays by way of interest." Then another said, "How foolish that man is. If we do what he proposes, we shall be better off not because we lend goods at interest but because we produce more goods"; and everybody was silent for awhile. At last another spoke. "I have been thinking that when we allowed interest on capital, not only did the lender make money but the borrower also, and that those who borrowed became even richer than those who lent, yet neither produced anything"; and everybody looked at him astonished, for each remembered something of the same sort. He continued: "Let us inquire how the lender can thrive and also the borrower at the same time, for in the answer we may find a way to what we seek." So they appointed a committee to look into this matter.

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The committee went first to one who had been a rich money lender, and asked him how he had become rich by lending; and he said to them: "I got by my work so much, but saved something by self-denial. This I loaned at five percent to another on good security; and day by day my capital became greater by the addition to it not only of what

I saved but of what other men paid to me as interest, until in time my income was great enough for me to live without work."

Then the committee went to the borrower and asked him how he had got rich by borrowing. And he replied: "Having saved a little, I went to the lender and said, 'Trust me with your goods and I will take them with mine to a market where such goods are scarce and exchange them for other goods which are abundant there but scarce here; then I will return and exchange the goods which are scarce here for goods which are more abundant here, and each of us will have more' ". "And did you get better off in that way?" asked the committee. "Yes", said the borrower, and I will explain precisely how. We used gold in those days, and when men saved goods they exchanged the goods for gold because gold was more convenient to hoard. I borrowed the rich man's gold and with it bought shoes for three dollars a pair and carried the shoes to another market where I sold them for five dollars a pair; and so for every three dollars lent to me I got five dollars, and after giving him one-half of the profit I had one dollar in gold more than I started with."

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"It is evident", said the committee, "that you two were enemies to the rest, for neither of you

added anything to the common stock of goods yet each got rich by extorting something from the rest." "You are mistaken", said the borrower. Neither was an enemy, but each was a benefactor of the rest. What we started with we saved, and by taking it to a good market we helped men to get what they needed for less than they had been paying; and even though they gave us something for such service, they lost nothing but on the contrary were better off than before we dealt with them."

Now the committee were perplexed, for what the borrower said seemed true, yet they found it hard to understand how one who produced no goods could become rich in goods without taking from the rest.

The borrower perceiving that they were unconvinced, said: "You are perplexed because you do not reflect that he who merely produces wealth does not do all that must be done. He who delivers it to the consumer also does something of value to the community. Coal is worth so much at the mine and so much at the boiler. The miner contributes one part of its value and the merchant the rest. If the wages of the miner are earned, so are the wages of the merchant. You should not therefore think that I got something and gave nothing. What I did added to the value of the goods, and my profits were no greater than my contribution

to such value. If you will reflect, you will allow what I say, for some of you work in the factories. The factory does not create goods in the same sense that a miner digs coal or a farmer raises wheat; it turns into articles of use the raw material produced by others, and so adds to the value of such material. If you are entitled to wages for your work, so was I for mine, for both of us did what was useful to the community."

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The committee after conferring together were convinced by what the borrower said, but a new thought came into their heads. "Why does the merchant make more for his services than another; why should he get rich while the rest remain poor?" So they submitted this new question to the borrower.

"I will try to tell you", said the borrower. The miner or mill-hand carries nothing into his work but his hands. The tools he uses are produced by another, who also receives wages. The merchant had to employ wagons and horses and maintain stables and warehouses in order that he might deliver goods as and where they were needed, and he had also somehow to pay for the goods before they were sold. He could not do these things unless he could manage to save a great deal and buy the wagons and horses, etc. He got more for

his services because he contributed to the value of goods not only his labor but the use of such wagons, etc., which he calls capital."

"That seems to be just", said the committee, "but you said you borrowed the capital used by you. Why should two of you get rich by reason of its use?" "This is my answer", said the borrower. "The lender who contributes the capital should be paid for its use, but I contribute something besides and that is the knowledge which enables him and me to make a right use of capital. Any man may use his hands, but he who uses his hands and head and studies to find out what the community needs, what sorts of goods are wanted here and there, and gets from others what they do not need in exchange for what they do need, performs a very great service and ought to get something for it. I not only do this service, but I do it at my own risk. If I make a mistake, the loss falls on me, for I must pay the lender interest and somebody else for the goods, whether I make a profitable use of the goods or not."

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"It seems to us", said the committee, "that your answer is reasonable, but if we allow it to be so and tell others, many will wish to become rich as you did, and if they leave off producing we shall have fewer goods."

"You need not fear that", said the borrower. If too many borrow in order to buy and sell goods, all of them will lose and none will get anything for his service. We merchants formerly had to compete with each other, and if more goods were brought to a market than were needed, their value declined and none of us could make any profit. Only those who were wisest among us could live. You need not fear that too many will turn traders, for not all are fit for such business and those who cannot render a needed service must return to labor. When we were free, many tried to become traders, but the community did not suffer."

The committee again conferred together, and all seemed to agree that both the lender and the borrower might become rich without injury to the rest; and it was thereupon resolved to try to find out how the whole community might get better off without working harder, for that was the problem to be solved. One of them suggested that he had heard formerly of a man they called a Captain of industry; and so they decided to consult him.

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When they had stated their problem to him, he said, "You cannot get better off as you are now organized, save by harder work. If in a day you produce so much, you will have so much to divide; if more, more; but to produce more you must work

longer or harder. I think I can tell you how you can produce more and work less, for formerly we were able to do so. No one by mere manual labor can do much in a day. If however you give him a tool he can do far more. When I was young the factories contained machines so powerful that a laborer who did nothing but keep them oiled could turn out as many goods in a day as twenty men without a machine." "That is true", said the committee, "but we have machines now." "Yes, but they are the old machines. You will not allow any man a motive to improve them or to invent others", said the Captain of industry. "Machines cost a great deal, they require the services of many men to produce them. One discovers or invents, another builds, another pays for them. No one now has a motive either to invent, or improve, or construct a machine, since you will not allow him to charge for its use; and this is why you lack better machines."

"How then did you find the men to invent machines?"

"We did not find them. They discovered something and brought it to us, and if we thought it good we furnished the capital and paid him handsomely for his invention. So he had a motive to invent and we a motive to make, for after the machine was made it was ours and we used it or sold

it for profit, and by its use the goods of the community were increased and cost less, and everybody was better off."

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Now the committee began to see things together, and after a while one of them said, "There are those who make goods and those who distribute them, and as each of them renders a service each of them deserves some reward; and what each of them receives does not make the others poorer. These things seem evident. This Captain of industry says there are others who help us to produce more goods with less work, and they also deserve some reward, and the giving of such reward will not hurt the others because after such reward shall have been paid to them there will still be more goods for the rest than before. Why then did we prohibit capital and interest?"

"I will tell you", said another. "We wished equality; and if we allow some to get rich, the rest of us must work for them and be their servants." "But is this true?" asked a third. "If we work together, who is master: he who depends on us, or we who depend on him? We cannot make him work with us, nor can he make us work for him. Each is free to do as he pleases."

"That is not true", said another, "for if this man makes shoes with his machine, we cannot make

them and sell in competition, and therefore we must work for him and take such wages as he is willing to pay".

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"What do you say to these things, Captain of industry?" the committee asked. He replied: "I say you cannot progress without inequality. We are not equal either in energy or capacity, and unless you find some way to encourage those who are superior to teach and guide those who are inferior, we must still remain poor. It is not true that the inferior becomes servant to the superior: each helps the other. Wages were higher formerly than now; they would purchase more because the workers produced more, and men were more independent then than now. Today no man is free. Each must work in order to get more than another, and the wages of all are low and you get just enough to live on and no more. You are equal, it is true, but equal only in slavery and poverty. You yourself say the community is making no progress."

"Yet formerly you did make progress and you were not less free but more so, and goods were more plentiful and wages were higher. Then wages advanced from year to year; now they are stationary. If you did not like your job then, you might change it, and where another offered better wages you always went to him. Today all men are paid the

same and none can improve his income however diligent he may be. Then, many laborers became bosses and afterwards employers, and every good man had a chance not only to better others but himself also. Now every day is like the last, and all must remain equally poor."

"It is true that there were masters and servants, but no one should complain. The words mean no more than that one led and directed and another helped as he was told. Whenever men cooperate together, one must tell the others what to do, for otherwise team work is out of the question. Today the superintendent directs the workmen and the committee fixes their wages, and the only difference between your present situation and your former one is that today you elect your boss; but even the committee admit that your wages cannot be increased unless you will all work longer."

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Some of the committee were old enough to verify what the Captain of industry said, yet were perplexed; for they did not quite understand how by allowing capital and interest and profits to some among them and so making them rich, the others could also be better off. When these doubts were stated to him, he said:

"The lender and borrower have already explained how they might become rich without injury

to the rest; I will tell you how I became rich not by hurting but by helping others. I observed that coal was cheap at the mines and dear at one's own door, for it cost a great deal to deliver it. So I built a railroad to a great city and hauled the coal for one-tenth of what it cost by the old method, and I made money, and the coal cost less to the consumer, and the miner got more for it."

"What is that you say? How did the miner get more also?"

"He got more because before I built my railroad he had to compete with other mines nearer the city and so had to charge less because it cost more to deliver his coal."

"It seems then to be your opinion that by allowing capital and interest and profits we may all get richer with less work; that not only will the producer get more but the consumer will pay less for goods; and that these benefits may be secured even if we allow those who own the capital to become rich? How is it that everybody may have more and yet nobody less?"

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"That is easily answered. If society produces so many goods [ ] it cannot be so well off as if it produces so many [ ]; for in the former case there are fewer goods to go around. Capital not only doubles but quadruples the output of goods, for it

same and none can improve his income however diligent he may be. Then, many laborers became bosses and afterwards employers, and every good man had a chance not only to better others but himself also. Now every day is like the last, and all must remain equally poor."

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adds to the energy of the man who uses a machine the energy of ten men, so that every worker becomes eleven in so far as his output is concerned, and therefore more is produced. What is true of production is true also of distribution. Before my railroad was built it required many men and many teams to carry the coal to the city in a day. By my railroad one-fourth as many men carried ten times as much coal in one-third of the time. What I made no one lost, but on the contrary everybody was better off because I made the distribution of coal cheap."

At last an old man spoke. "I remember that we were better off in those days, but there were strikes and lockouts and occasionally we had hard times and no one could make anything and there were many poor."

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"That is true", said the Captain of industry, "but while we were freer then than we are now, we were not absolutely free. There were unions and men were not allowed to do their best. We had to pay all alike, even though one was much better than the other; and workers tried to get rich so fast that they were constantly asking more wages for less work, and unless they got what they demanded they would not work at all. So in time goods cost so much that they were as hard to get as in time of real scarcity. Even the high wages would not

buy as many goods as formerly, but rather less, and everybody complained of the high cost of living, even those who got the high wages. And after a time men began to economize, because they could not pay for all the goods they wanted, and so goods could not be sold at the prices asked and the market for them fell off and the factories had to shut down, and men lacked work not because there was nothing to do but because workmen demanded more than their work was worth to the community. Everybody wanted something for nothing, and each seemed to think it somebody else's duty to give him something for nothing. When, after a time, workmen consented to take no more for their services than they were worth, there was again work for everybody and everybody began to prosper."

"The poor people were numerous, but even poor people were not much worse off than all of you are now. Not everybody is good. Some are lazy, and some waste what they make, and some drink too much; and as these save nothing, if an accident shall occur or they fall ill, their families must suffer. Nevertheless, none were permitted to starve; the State cared for some and charity for others."

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"That is what we dislike", said a member of the committee. "You rich men gave in charity what

no man liked to accept. Each member of the community has a right to a livelihood for himself and his family, and you would not allow him such right."

"Is that quite true?" asked the Captain of industry. "No man now has a right to certificates unless he will work for them. The poor I speak of were usually good-for-nothings who would not work, or foolish people who could do nothing for their families. How do you deal with these people now? You have not fewer poor among you but rather more, and what you give them they have not earned. You do not call what you do charity, but what is it? Has any man a right to do nothing and yet compel you to support him? If every man has such a right, then each is slave to the other."

"I have been thinking", said a member of the committee, "that what you deny to the poor you demand for the rich, for the rich do nothing and we must work for them." And all the rest were pleased with this point, and they discussed it eagerly.

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Now the Captain of industry was silent for a moment, then he spoke sadly: "I cannot understand why you say the same thing over and over again. The rich man does not live at your cost; what he consumes his capital creates, and he appro-

priates but a small part of what it creates. The paupers on the other hand produce nothing and all that they get must be subtracted from what you produce. Just now you allowed that the lender, the borrower and the capitalist might thrive without hurting anybody, and that their enrichment did not diminish the general stock of goods; and now you deny these things."

When he ceased speaking, the committee looked at each other and none said anything. At last one asked, "Is it possible for all of us to become capitalists, so that everybody may live at ease and yet do no harm?" This question pleased them very much.

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The Captain of industry smiled and said, "I think it is. If you had not interfered and destroyed capital, in a little while all of you would have been able to be just what you suggest. Reflect for a moment. If I make a million dollars and put them away, I can derive no benefit from them. In order to get something out of them I must so employ them as to make them useful to you, for if they be not useful to you they cannot be profitable to me. I say you were all capitalists then. The railroads, the steamships, the factories, the machinery of the country are now devoted to your service and to the promotion of your welfare. Let me give you an illustration of what I mean. Here

is a great river rushing to the sea. The capitalists combine together and build a strong dam and harness the waters and generate electricity, and all your factories are furnished with power and every wheel turns and many goods are turned out and each of you has more than ever before. Whose is the capital—the community's or the capitalists'? Are you not partners and sharers in the energy of the waters; are you not all capitalists? It is true that they who build the dam get dividends and you none, but you get goods and get them for less, and your life is not so laborious. Do you still doubt? Think of the lives of your ancestors. When they cleared the wilderness, they had nothing but axes and picks and shovels. After a while everything was done by machinery; there were railroads and turnpikes and docks and warehouses and tractors and a thousand instrumentalities, all of which were constantly employed for the general good.

"Life is easier now, because these things were invented and used for your benefit, and all of them were provided by the capitalist—even those constructed by the State, for the State borrowed from the capitalist and used his saved resources."

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The committee were silent for a while, and then one of them said, "That may be true, yet why

should not all of us derive equal benefits from capital by owning it in common?"

Now the Captain was annoyed, for he thought he had explained this matter. At last he began: "Why is this committee asking me questions? Is it not because the workers think they are not making any progress? Yet all that capital is yours. You employ it, but you do not increase it. Your progress is arrested because you are not constantly adding to it. With its aid you now make just enough to support yourselves and those who are old. What you need is far more capital, yet you can not save it and will not let any among you do so. How foolish it is to prefer equality to prosperity! Your system is wrong. It is founded upon hate of superiority. Those who wish to help the community in order that they themselves may thrive, you will not endure. You say to them, 'Be still and do what we tell you and be content with what we are'. Therefore you make no progress, whereas formerly you did.

"If you say to everybody, You may get as well off as you can, provided you will at the same time help all the rest to be better off, all of the able men among you will have a motive to do their best to help along the general welfare. They cannot help themselves without helping you. Their machines will be used to make goods for your use, and

they will make more. They may get five or ten per cent on what they save and use for your benefit, but you will get far more for you will get not only more goods but goods with less labor. These things I have said over and over again, but you reject them, preferring general poverty to universal prosperity, because some mean men do not like superiority."

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The committee returned to their own room to discuss all that had been said, and everybody tried to think what should be done. The chairman said "Our choice seems to be between equality and poverty or inequality and prosperity; unless we can somehow manage to accumulate capital and use it for the benefit of all."

"It should not be hard to get the capital, said another, "because we can require each to save a very little and among so many we can get enough. But it will be hard to use it properly. We cannot appoint a committee to use it, because the committee may not know how; and if we let any man have it who proposes himself, all may be lost and we may have to begin over again. These capitalists risked their own and other people's money, and if they did not help the community the loss fell on them. I am willing to reward those who succeed, even though they make something, provided I and all others make something also. But these things

we cannot decide. Let us lay all of them before the workers." And it was so ordered.

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When the report of the committee was laid before the body of workers, many wished to speak, for no two seemed to be of the same opinion in all things. Everyone however thought it right to consider how they might make progress. When order was restored, one reputed wise spoke as follows:

"What the committee says seems to me true. We cannot do without capital, for capital helps labor and without it we can make no progress. It ought not to be hard however for all of us to contribute a little, and a little from so many should be enough. Our problem is to make a right use of it. We cannot choose by vote someone to manage it, for he who is most popular among us may not know how. If we lend it to those who choose to borrow, they must be allowed something and we must receive something for the risk each of us takes. How shall we know how much to yield and how much to exact? If we exact too little, those who borrow will become rich; if too much, they will not borrow."

Then another rose and spoke vehemently. "What this man says will never do. If we lend anyone capital, it will be his while he uses it, and the committee has told us how borrowers thrive. I will not have any man get rich on what I must

give him. We have many uses for capital, and those whom we elect can do with it what we tell them. I propose therefore that we tax everybody a little and establish with what we get, parks and playgrounds and places of amusement, and better dwellings, and all the things we desire for the common comfort. Then each of us may have the pleasures the rich men bought with their profits, and none will be discontented."

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"If we do this", said an old man, "we shall have to do more than tax each of us a little, for we must somehow pay those who keep the parks and public places in order and those who act in the playhouses and furnish the music and do the things we tell them. My friend forgets what we set out to consider. The things he wishes are desirable, but they are not the sort of capital which aids industry. As the committee said, we now make just enough to live on in comfort and provide for old age, by working nine hours a day; and we make no progress. If we take men from the factories and set them to doing what this man thinks should be done, we shall produce even less and must have less or work even harder. What we need is the capital which we can employ to increase our goods and ease our labor; and unless we provide it and make it work for us, we cannot accomplish what we wish."

"If you will let me speak", said a former capitalist, "I think I can tell you how you may have not only parks and playgrounds but also capital to aid in producing goods."

At first they would not listen to him, but at last, no one else wishing to speak, all of them thought he could do no harm and so they let him go on.

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"The committee told you how capital helped industry, and I will not repeat what it said. If you wish its aid, I suggest that you can get all you need without taxation, by permitting every man to save and contribute just as much or as little as he desires. You need not promise them anything, if you will let them lend what they save on such terms as they think proper. Those who borrow from them will not hurt anybody. No one need work for them unless he chooses to do so. If they get anything from the general stock of goods, they must pay as we do now. If they make a foolish use of what they save or borrow, none should complain except those who trusted the borrowers. But if they make a good use of it, then all of you must derive benefits of one sort or another. You will have more abundant and cheaper goods, lenders will get interest on what they lend, and the borrowers profits; and besides these benefits to all of you, you will produce with the aid of capital goods

enough to provide all the parks and places of recreation the former speaker desired. Why then do you reject these benefits."

An angry man then spoke. "You know very well why we reject them. What you wish is to get rich and let us work for you."

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"I think you are mistaken", said the capitalist. "I do not propose that you should work for me but for yourselves. Today a workman makes enough for a day in a day; if I tell him how to make more and he takes my advice, for whom will he work? Not for me, but for himself first and then for all the rest. What I get for the use of my capital will not diminish his wages, but on the contrary increase them. Neither will what I get cost the community anything, for not only will wages be higher but goods will be more abundant and cheaper. These things have been explained to you by the committee."

All were, however, reluctant to restore capitalism. Then one said, "Why should we not make the following arrangement: let the lender have five percent and the borrower five percent, and take all the rest for the community."

"The suggestion seems a good one", said another, 'but if we do so, how can the community accumulate capital and have it employed in its

service in sufficient quantity? If no man is allowed to make more than five percent for himself, each will make just five percent and no more. What we need is a great deal of capital, and unless somebody be offered a reward for accumulating it, there will never be enough. We used to fear great fortunes. Perhaps we were wrong, for I remember that great fortunes were invested in public enterprises and that unless they were so invested the owner got nothing, and capital was so abundant then that it might be borrowed even at four percent, and billions were given away. Let us consider what harm can come to us by reason of such fortunes."

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"I will tell you", said an old man. "The rich men built themselves fine houses and pleasant places and did nothing, and we lived in ugly places and worked all the time and had just enough to eat, and wear, and we disliked them and they us."

An older man rose and said, "I cannot quite understand why we should have resented these things, although we did. Today there are no fine places and all of us live crowded together and work harder than formerly. The prosperity of those of whom we complained did not hurt us, and although it provoked envy we should not on that account alone resolve to live in poverty."

After a while the chairman said. "The last speaker brings us back to what we set out to consider. None of us are satisfied with the way we now live. We work hard and at the end of the year have accumulated nothing. We have been told that if we will use capital we may make progress. Why should we not allow it? Those who have spoken against it say nothing except that if we restore it some among us will become richer than the rest. Most of us, however, have been convinced that if this be true, still the enrichment of a few among us cannot impair the prosperity of the others, because capital helps production and increases the quantity of goods so that they are more abundant and cheaper to all. If capital earns all that the capitalist gets and far more besides which we get, I do not think we should prohibit it. None but foolish men will reject prosperity for themselves because others also prosper. I suggest that we try again and see what we can do under the old system. We know more than we did a little while ago. Then we thought we could increase wages by restricting output and prohibiting interest and profits; now we know better, for we make no progress. If we will all try to produce as much as we can and reward all who will help us to produce more, it seems to me that we should be able to make progress; for if goods are abundant and cheap, all of us may save something and year by year have more."

Notwithstanding the opposition of many who preferred equality to prosperity, the suggestion of the chairman was approved by the workers.

The Bees.

1.

The bees were buzzing about the hive. A rumor ran that a stranger had come among them to expound many things they did not understand. When quiet was restored, he spoke as follows: "You worker bees, my message is to you, for I also am a worker and know your wrongs. You toil from dawn to dark, fetching honey to the hive and building cells to contain it. Except by you, nothing is done for the common good. The honey is yours, the cells are yours, because you made them. There are those among you who do nothing yet share in the fruits of your labor. A man takes half your store, there are drones who devour constantly, and that great thing who calls herself queen takes more than any. Why do you maintain these idle eaters? Drive them forth and each of you will have his just part of the common stock."

A murmur was heard and then an old bee rose, and after a little while the murmur ceased and each began to whisper "What is he saying?" This is what he said: "You bees that buzz in discontent, listen not to the stranger; he is making mischief among you and we shall all perish if you take his

advice. It is true that the man, the drones and the queen eat of the honey we gather, but after they are satisfied there remains enough for us. This you know, for our hive is an old and flourishing community. Be not alarmed by what this stranger says. Those you complain of also help. The man furnishes us a commodious mansion to dwell in, and warms us in the winter, and we get honey from fields cultivated by him. The drones cannot be spared; without them the queen cannot bear children, and if we drive them away, no cell can bring forth young."

Then the stranger spoke. "What this old bee says is foolishness. It is not right that those should eat who will not help to get the food." Now a buzz of anger was heard, and the hive rose and killed the queen and drones and drove away the man with poisoned swords.

When winter came, there was great store of honey, more than could be devoured, and all ceased work to enjoy the harvest. But the winter was cold and dreary None came to cover the hive and keep it warm. Many perished who could not get into the midst of their fellows. When spring came again, those that survived ventured forth to feed upon the flowers, and after they had been satisfied with the fragrant juices, each brought a burden home. The hive, however, still contained much

honey, for many had perished and there were no drones nor queen nor little ones to feed. And so laziness crept in among them and the old joyous days of pleasant toil were forgotten; and then came sickness, and then death, and after a little while the hive contained nothing that lived.

Moral: There are many ways of being foolish, and idleness is death.

2.

In a little while the story of the unfortunate bees reached other hives, and the stranger who had betrayed them was set upon and driven away. Without followers, he lacked food; and after meditating how he might again become influential, hit upon another plan. Meeting a vagrant bee who did not know him, he said, "You fly far for honey". "Yes", was the reply, "for there are many to be fed and flowers are no longer abundant". "Listen", said the stranger, "and I will tell you how you may avoid long flights and much weariness: produce less honey, then the man will take less, and the drones and the queen, for even if they want more they cannot take it from you, who are the workers and must first be fed."

The tired bee flew home to tell what he had heard, and after he had told his tale a congress of workers was called to consider the matter. An old bee, unconvinced, endeavored to warn them

against the dangers of famine, but none would listen and after a while they resolved to do what had been suggested.

The winter came. The frost was keen, but the man covered the hive and none perished. In February the store of honey was almost exhausted, and so it was resolved that some should go out and try to find sustenance for the rest. A number volunteered, but as none returned, others feared to go forth. Then the majority said somebody must go, and the oldest bees were selected and driven forth in great numbers so that there were few mouths to feed and enough for all.

When spring came and the swarm had gone out, the man established it in a new hive; but as for the old one, he turned all the bees out, for they produced little, and they, lacking a hive, tried to join with others. None, however, would receive them because all feared they too might become victims of their laziness.

Moral: When fools blunder, the brave and wise suffer first and then the fools.

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The Ants.

A great rain fell and washed away part of an ant-hill and all the stores it contained. The ants were busy, for they had not only to repair the ruin

but lay in for the winter food enough for themselves and for the greater ants they maintained to provide a sort of milk of which they were very fond. One of them, more lazy than the rest, said to his fellows, "If you will let me be idle, I will tell you how you may have what you desire without such hardship"; and they, being weary, listened. "Work less, bring in less food and make the greater ants give more for what they need." This advice was joyfully received, and immediately all began to act upon it. They went out later and came in sooner and each day brought less food to the cow-ants. As the cows had been well fed and were very fat, for a time all went well and everybody said, "Life is pleasanter now, we do not have to work so hard."

But after a little while the cows began to grow thin and yielded less sweet stuff, and then none at all. Now the ants were perplexed and began to consider what to do, and a wise ant said to them, "We have blundered. It is true that if we work less we shall have an easier time, but food will not come to us. If we wish more, we must go out for it. Unless the cows be fed, they cannot give milk." As all thought this good advice, they set out to do their best, for having done less work than usual their store was less and the thin cows needed more than usual. When, after many weary days, they

had filled their warehouses, they said to each other, "Who induced us to think we might have more by bringing in less?" And one remembered, and then they fell upon the lazy one and killed him.

Moral: Those who depend upon what they produce cannot have more by producing less.

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The Beavers.

A colony of beavers lived in a northern country where the waters were abundant and willows flourished, and by their united effort constructed a strong dam between convenient banks which confined a stream and raised its surface high enough to cover a store of food for winter's use. In the middle they put up a commodious house, so contrived that its upper chamber was beyond the reach of any flood and a lower passage afforded a way to the still water beneath the winter's ice, where there food was to be stored. Then they cut down many willows and packed them away.

When winter came and the waters froze, they retired to their house and lived in comfort and security until the return of spring.

After the ice had gone and the sun had become hot, they went out to feed upon the budding willows and for a time old and young browzed contentedly.

Soon they discovered that the rising flood of spring had raised the ice and sent it crashing through their dam. The old ones set to work to repair the ruin, but the younger ones were reluctant to leave the pleasant food.

While the elders were working, a wind blew down a great tree and it fell upon them, wounding many, so that little progress was made in the dam. At last the younger ones were persuaded to work, but as they had become fat and lazy, they would not work hard. Slowly the dam rose. Slender timbers were preferred to greater, because they were easier to move. The dam was built high enough but it was not strong enough to resist the Autumn floods, and the food which was cut was stored in the customary places negligently.

When the autumn came heavy rains fell and the dam was washed away and much of the food. Now winter set in, covering the diminished waters with thick ice, and the beavers could not swim under in order to procure food. So they cut a door in their house above the ice, and lay down to wait for Spring.

In December a prowling wolf found the house with its door open and told its fellows, and the pack broke in and devoured all that lay there.

Moral: Those who will not work suffer no less than those who cannot.

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